

210 N. Park Ave.

Winter Park, FL

32789

November 17, 2000 Via Overnight Delivery

P.O. Drawer 200

Winter Park, FL 32790-0200

Mr. David Waddell, Executive Secretary

Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

Tel: 407-740-8575

Fax: 407-740-0613

tmi@tminc.com

Re: Docket No. 00-00996

> Application of Lightyear Communications, Inc. for a Certificate to Provide Facilities-Based Interexchange Telecommunications Services and Competing Local **Exchange Telecommunications Services**

Dear Mr. Waddell:

Enclosed for filing are the original and thirteen (13) copies of the responses of Lightyear Communications, Inc. ("Lightyear") to staff's November 8, 2000 data request pursuant to Docket No. 00-00996 in the above-entitled proceeding.

Please acknowledge receipt of this filing by date stamping the extra copy of this cover letter and returning it in the self-addressed, stamped envelope provided for this purpose.

Any questions pertaining to this filing may be directed to my attention at (407) 740-8575.

Sincerely,

Robin Norton

Consultant to Lightyear

RN:mw

cc:

Linda Hunt - Lightyear

file:

Lightyear - TN Local & IXC

tms:

TNL0000a



RESPONSES OF LIGHTYEAR COMMUNICATIONS, INC. TO STAFF'S DATA REQUEST DATED NOVEMBER 8, 2000

Administrative Requirements

Please provide an organizational chart of the corporate structure of the applicant and its affiliates.

Response:

See Attachment 1.

Financial Requirements

1. Estimated cost of the proposed network, switches, and unbundled network elements (UNEs).

Response:

Please see page 6, item IV (A.) of Lightyear's application. The rates charged to Lightyear by BellSouth for UNEs are specified in the Company's interconnection agreement on file with the TRA. The Company's costs will be incurred as customers are setup for service.

2. Audited (if available) Year 2000 financial statements of the applicant (Balance Sheet, Income Statement, and Statement of Cash Flows).

Response:

Year 2000 audited financial statements will not be available until approximately April 2001. The Company's most recent audited financial statements were submitted with its application under separate seal, as Exhibit E-1.

3 *Projected* three-year financial statements (Balance Sheet, Income Statement, and Statement of Cash Flows).

Response:

Projected three-year financial statements were provided in Exhibit E-2 of the application.

4. A three-year capital expenditures budget that includes the following: Equipment to be deployed; Cost of Equipment; and Sources of funding Tennessee network, equipment, UNEs: cash, loan commitments, vendor credits, letters of credit, etc. (complete detail).

Response:

No capital expenditures budget is available for Tennessee operations only. But please see page 6, item IV (D.) of the application as well as the audited financial statements included therein which shows actual sources of funding, loans, and other relevant information on a total company basis.

RESPONSES OF LIGHTYEAR COMMUNICATIONS, INC. TO STAFF'S DATA REQUEST DATED NOVEMBER 8, 2000

(Continued)

Financial Requirements, cont'd.

5. Please quantify amounts included in financial statements and projections relating to reciprocal compensation for terminating ISP traffic.

Response: Lightyear has not included any amounts in its financial statements and

projections for reciprocal compensation relating to termination of ISP traffic.

6. Please submit a corporate surety bond or irrevocable letter of credit to the TRA on the provided sample forms, if applicable.

Response: Please refer to page 6, item IV (F.) of the Company's application.

Miscellaneous

1. Reminder: TCA §65-4-125 amendment states that all telecommunications service providers subject to the control and jurisdiction of the authority, *except* those owners or operators of public telephone service who pay annual inspection and supervision fees pursuant to Tennessee Code Annotated, §65-4-301(b), or any telecommunications service provider that owns and operates equipment facilities in Tennessee with a value of more than *five million* (\$5,000,000), shall file with the authority a corporate surety bond or irrevocable letter of credit in the amount of *twenty thousand dollars* (\$20,000) to secure the payment of any monetary sanction imposed in any enforcement proceeding, brought under this title or the Consumer Telemarketing Protection Act of 1990, by or on behalf of the Authority. **Please state if applicant plans to offer services in areas served by any incumbent local exchange telephone company with fewer than 100,000 total access lines?**

Response: No. Also, please see response to item X. (G.), page 10 of the application.

2. Note: A wireline Activity Report should be submitted to the TRA on a monthly basis for approved applicants once service commences. This information provides the TRA with data regarding the status of local telephone competition in Tennessee.

Response: A wire Activity Report will be submitted regularly after certification and once

service commences.

ATTACHMENT 1

LIGHTYEAR COMMUNICATIONS, INC.

Corporate Organization Chart

Lightyear Communications, Inc.

ORGANIZATION CHART

LIGHTYEAR HOLDINGS, INC.

Lightyear Communications, Inc.

Lightyear Telecommunications, LLC